



LOS ANGELES UNIFIED SCHOOL DISTRICT POLICY BULLETIN

TITLE: Additional Review Process for Title I Expenditures (Shopping Carts, Imprest Reconciliations, P-Card Reconciliations and Payroll Overdrafts)

ROUTING
All Schools and
Offices

NUMBER: BUL-6517.1

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PURPOSE: The purpose of this bulletin is to communicate the new Title I additional reviewer policies and clarify Title I policies for payback of unallowable expenditures.

Title I is a federally-funded program designed to serve high-poverty areas for the benefit of disadvantaged children. The purpose of the program is to provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps. To reach the goal, Title I schools must accelerate the achievement of students not meeting grade-level standards by providing supplemental programs and materials for English Language Arts and Mathematics intervention.

As a condition of receiving the funds, the District and Title I schools must ensure that charges or costs to the program are reasonable, necessary and properly supported in accordance with applicable statutes, regulations and program plans. In addition, Title I funds are supplemental and therefore, may not be used to replace or supplant the funds and instructional program the District provides the school.

Consequently, because of monitoring requirements and repeated audit findings, the Local District Title I Coordinators and Federal and State Education Program (FSEP) staff will be additional approvers of all school site Title I shopping carts. Additionally, all Title I P-Card reconciliations and Imprest reconciliations will be reviewed for allowability and approved by the FSEP office.

MAJOR CHANGES: This is a revision to BUL-6517.0. The additional reviewer process for Shopping Cart orders will now include Supplemental Instructional Materials (SIM), Admission Fees, Contracts, Other Books, General Supplies-Technology, Non-Capitalized Equipment, Software Licenses Renewals, Custodial Supplies, Contract Bus Services, and Conference Attendance funded with Title I through the Shopping Cart.

In addition, procedures have been added to address Title I orders processed through the Procurement Service Center along with new review procedures for Imprest and P-Card Reconciliations and unallowable payroll expenditures/payroll overdrafts.



LOS ANGELES UNIFIED SCHOOL DISTRICT POLICY BULLETIN

- GUIDELINES:**
- I. Definition of Allowability in the Title I Program – The activity/item is considered allowable if it is described in the Single Plan for Student Achievement (SPSA), it is allowed based on District policy, and:
 - it supports the educational program and not operational expenses
 - it is reasonable and necessary to address the identified needs of students
 - the actions and strategies are research-based and are evaluated annually for their impact on student academic achievement.

 - II. Procedures for Shopping Cart Orders (SIM, Admission Fees, Contracts, Other Books, General Supplies-Technology, Non-Capitalized Equipment, Software Licenses Renewals, Custodial Supplies, Contract Bus Services, and Conference Attendance):
 - A. Schools
 1. Review *Single Plan for Student Achievement (SPSA)* to determine if the expenditure is specifically described. If not, a *SPSA Modification* must be completed to justify the expenditures.
 2. Enter items in the Shopping Cart along with required attachments (see Attachment A for list of specific documents by commitment item).
 3. Please do not use “see attached” to purchase items in the shopping cart. This will delay the approval process and may result in the rejection of the Shopping Cart. Instead, schools will need to list each item entered in the shopping cart.
 4. It is highly recommended that orders solely funded with Title I be separated from orders with other funding sources (unless the school is multi-funding the expenditure with general funds and Title I funds).
 5. Principal will approve the requisition in the Shopping Cart and the shopping cart workflow will route through the appropriate approval levels.

 - B. Local District/Federal and State Education Programs (FSEP)
 1. If the school posts the shopping cart order along with attaching the required documents into the SAP Procurement System, the local district (LD) Title I Coordinator/FSEP Staff will receive the shopping cart via the shopping cart workflow.
 2. If the school uses the Shopping Cart Support Center to process the order, staff from FSEP office will be the additional approver. Schools must submit required documents to the Shopping Cart Support Center staff for them to attach to the order.
 2. In the Shopping Cart System, the LD Coordinator/FSEP staff will review the attached *SPSA/SPSA Modification* along with the other required attachments and verify that all documents match and that the expenditure is allowable under Title I guidelines.
 4. If the order can be processed, the LD Coordinator/FSEP staff will approve the shopping cart and the school may track the status by opening the shopping cart and checking under the “Approval Process Overview” tab.
 5. If the order is not approved, the LD Coordinator/FSEP staff will reject the shopping cart and notify the school of the reason why the expenditure has not been approved and the steps needed to receive approval.



LOS ANGELES UNIFIED SCHOOL DISTRICT POLICY BULLETIN

III. Imprest Reconciliations:

- A. The following are the only allowable Title I expenditures that can be reconciled through Imprest
 - 1. Admission Fees
 - 2. Conference Registration
 - 3. Contract Bus Services
 - 4. SIM
- B. Schools
 - 1. Complete the Title I Claim form located at www.achieve.lausd.net/fsep
 - 2. Submit the completed claim form for only Title I purchases to fsep@lausd.net
 - 3. Attach required documents with Title I Claim form (see Attachment A for the list of required documents)

IV. P-Card Reconciliations:

- A. The following are the only allowable Title I expenditures that can be reconciled through P-Card
 - 1. Admission Fees
 - 2. Conference Registration
 - 3. SIM
- B. Schools
 - 1. Attach required documents when reconciling P-Card expenditures with Title I (see Attachment A for the list of required documents)
 - 2. Other expenditures not listed above, even if they are allowable Title I expenditures, will be denied during the reconciliation process.

V. Unallowed Payroll Expenditures and Payroll Overdrafts

- A. Periodically, FSEP conducts a review of Title I payroll expenditures. The following will require a payroll adjustment (for adjustments made in the same school year) or reimbursement to the Title I program with school site general unrestricted funds (for unallowed payroll charges or overdrafts at year end):
 - 1. The item was not budgeted or was overdrawn
 - 2. The item was not described in the SPSA
 - 3. The item was not allowable per Title I regulations
- B. Schools are required to frequently monitor and correct their overdrafts during the school year. Unallowed payroll charges or overdrafts at fiscal year-end will negatively impact the following year's general fund, as general fund will be used to reimburse the Title I program.

VI. General Supplies

- A. Due to recurring audit findings of misuse, the use of Title I funds to purchase general supplies have been unallowed for the last few years. Some examples of general supplies are tissues, copy paper, pens, pencils, markers, soap, coloring pencils, paint, folders, health office supplies, hand sanitizer, mops, brooms, furniture, office summons, etc.



LOS ANGELES UNIFIED SCHOOL DISTRICT POLICY BULLETIN

B. Although many of the items appearing in the District's General Stores Catalog are mostly general supplies, FSEP has identified some instructional tools in the Catalog that can be purchased with Title I funds under SIM . For a list of these allowable items, please visit the Federal and State Education Programs (FSEP) website (<http://fsep.lausd.net>).

VII. Payback for Unallowable Expenditures

If it is determined that expenditures, including salaries and benefits, are unallowable or overdrawn due to the school's error, the school will be required to reimburse the Title I Program with school site general unrestricted funds. Per the District's annual Carryover Memorandum, any positive ending balance in Program Code 13027 may be used to offset the negative ending balances in non-carryover program codes such as Title I.

VIII. Goods Receipt

Generally, instructional materials and other school allocations are intended to provide services and resources for a school's student population in the year of allocation. If materials or services are received on or before June 30 of each year and the "Goods Receipt" is not entered and posted in SAP by June 30, the expenditure will be charged against the following fiscal year's funds. Since Title I funds do not carryover to the following year, any Title I expenditure that this applies to will be charged against the school site general unrestricted funds of the following year.

RELATED

RESOURCES:

Annual Program and Budget Handbook (<http://achieve.lausd.net/Page/10814>)

Bulletin BUL-5320.1 *Audit Findings Pertaining to Expenditures with Federal and State Education Funds*, March 14, 2013

Bulletin BUL-6518.0 *Restricted Use of P-Card, Ghost Card and Travel Card (T-Card) for Title I Program Purchases*, June 22, 2015

Education Department General Administrative Regulations (EDGAR), December 19, 2014

Memorandum-2464.12 *Carryover Policies for School Account Balances as of June 30, 2016*, March 14, 2016 (issued annually)

Pre-Approved Field Trip Site List (5/22/14)

Procurement Manual 6th Edition, Chapter 7 (November 2014)

Reference Guide REF-1706.4 *Imprest Funds*, September 15, 2015

Reference Guide REF-2111.1 *The Field Trip Handbook*

ASSISTANCE:

Questions about Federal Program Monitoring or Title I guidelines can be directed to Federal and State Education Programs Office at (213) 241-6990. For questions about the Shopping Cart, please contact the Shopping Cart Support Center at (562) 654-9009.



Attachment A - The Title I Program Cheat Sheet



When submitting a request to reconcile accounts or purchasing items using Title I funds, a SPSA page or SPSA Modification page that specifically describes the purchase must accompany your request or it *will not* be processed. The holder of the plan is usually the Principal and/or the Title I/TSP Coordinator at your school. They can provide the documents needed to complete your request. The cut-off date for all requests to reconcile accounts or purchase items with Title I funds is

★(see Annual Program and Budget Handbook for each year's deadline dates)★

Expenditure of Transfer Requests

Please include SPSA plan page and itemized receipt/invoice. If expenditure transfer is for travel-conference, include 10.12.1 travel form as well. (BUL-5400.0)

Ghost Card

Schools will be required to enter another program other than 7S046 to pay for 50% of the monthly copier charges. (BUL-6518.0)

Imprest

The following are the only allowable Title I expenditures when using a school's Imprest account. Please use the Title I Imprest Fund Claim form found at www.achieve.lausd.net/fsep. *These expenditures must be specifically described in the school's SPSA.* (REF-1706.4)

- **Admission Fees to approved educational activities** – (REF-2111.0 and REF-2191.4)
 - SPSA plan page, itemized receipt/invoice (with location)
- **Conference Registration Fees to Title I-allowed conferences for staff and parents** – (BUL-5525.1)
 - SPSA plan page, approved 10.12.1 travel form, conference registration receipt/invoice
- **Contract Bus Services –to locations approved by LAUSD** – (BUL-1521.1)
 - SPSA plan page, approved 34-EH-57 student field trip form, itemized receipt/invoice
- **Supplemental Instructional Materials-** from the Warehouse, <http://achieve.lausd.net/Page/8647> and items described in the Program and Budget Handbook p. A-37
 - SPSA plan page, itemized receipt/invoice

Submit all documents to fsep@lausd.net. Failure to submit all required forms will delay your claim.

P-Card

The only P-Card expenditures that can be reconciled with Title I funds are:

- **Admission Fees to approved locations**
 - SPSA plan page, itemized receipt/invoice (with location)
- **Conference Registration Fees**
 - SPSA plan page, approved 10.12.1 travel form, conference registration receipt/invoice
- **Supplemental Instructional Materials** for items described in the Program and Budget Handbook p. A-37
 - SPSA plan page, itemized receipt/invoice

These expenditures must be specifically described in the school's SPSA. Other expenditures, not named above, charged to the school's P-card, even if they are allowed by Title I and in the SPSA, could be subject to payback. (BUL-6518.0)

Shopping Cart

Title I Shopping Carts will require documentation to be attached to the order, including a SPSA page/SPSA Modification page and quote that specifically states the items being purchased. Some items may require additional documentation (see below). If all required documentation is not included, your complete order will be rejected. All items listed below will require an additional approver (LD Title I Coordinator or Central Office Title I Approver). If you have additional questions, contact your LD Title I Coordinator.

Attachment A - The Title I Program Cheat Sheet

Commitment Item	Commitment Description for Title I Purposes	Commitment Item	Commitment Description for Title I Purposes
420010	Other Books-Gen Purp.-reference books, etc. <i>(additional documentation needed: submit list of books to be purchased)</i>	520002	Travel/Conf. Attendance <i>(additional documentation needed: submit completed 10.12.1 travel form, conference flyer)</i>
430001	General Supplies-Technology	580001	Prof. Services Contract-Non-Inst. <i>(additional documentation needed: MOU or contract, if applicable)</i>
430003	M&O Supplies-Custodial supplies for Title I Interventions - \$1 per student per intervention session <i>(additional documentation needed: submit school flyer for intervention program)</i>	580005	Admission Fees
430010	Supplemental Instructional Materials-including first time purchases of software licenses (for use in the current school year) and selected Stores Warehouse items	580012	Contract Bus Services <i>(additional documentation needed: submit a completed 34-EH-57 field trip form)</i>
440001	Non-Cap Equipment- All Other	580020	Software Licenses Maintenance – Renewal of Licenses (for use in the current school year)
		580030	Prof. Services Contract-Inst. <i>(additional documentation needed: MOU or contract, if applicable)</i>